

## OUTGOING TELEGRAM Department of State

INDICATE:  COLLECT  
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Origin E ACTION: CIRCULAR 1075

Info SS SUBJECT: US Ratification of International Coffee Agreement

SP As of Dec 13, US had not deposited instrument of ratification of  
 L International Coffee Agreement. Agreement expires Dec 31 if US fails  
 H to ratify. Post may therefore be queried US intentions.

AF Following is status US ratification process. In May 1963, Senate  
 ARA gave advice and consent to ratification. US entered agreement as  
 EUR provisional member but did not deposit instrument of ratification for  
 FE two reasons: (1) implementing legislation necessary to enable US  
 NEA fulfill obligations under agreement, in particular to control imports  
 IO from non-members if necessary and to require certificates of origin on  
 STR all coffee imports; and (2) Executive Branch assured Senate we would  
 ATD not make our participation in Agreement "effective" until implementing  
 P legislation approved both Houses Congress.

NSC Between May and December Administration expected Congress approve  
 TNR implementing legislation. House Ways and Means Committee occupied  
 NSA with tax bill and therefore delayed consideration coffee until late  
 AGR October. House approved implementing legislation Nov. 14 which then  
 COM referred to Senate Finance Committee.

FRE President does not want Senate Finance Committee to interrupt  
 TAR work on tax bill and proposes Committee take up implementing legislation  
 TRSY early  
 RMR

SIDE  
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E:OR:RSGold:msm 12/13/63

Telegraphic transmission and  
classification approved by:

E:OR - Mrs. Gold

Clearances:

OR - Mr. Brodie  
E ~ Mr. JacobsonARA/REA - Mrs. Mulliken  
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early in new year after completion its work on tax/ Therefore, hearings on coffee scheduled by Finance Committee have been cancelled.

If queried, you should give assurance US continues support International Coffee Agreement. No change in US position. Administration consulting Congress on steps we hope will permit US remain in Agreement pending Senate consideration of legislation early next year.

FYI. Administration hopes to make gentlemen's agreement with Congressional leadership permitting US deposit instrument of ratification now -- without implementing legislation -- on clear understanding legislation will be sought early in new year, and US will not control imports or require certificates of origin -- actions for which implementing legislation required -- until its passage. Coffee Council has already decided certificates of origin not required until April 1, 1964, and control of imports cannot be effective until certificates become effective. Therefore, Administration does not need to exercise powers authorized by implementing legislation until about April 1964. END FYI.

Post will be informed final decision when made.

BALI.

End.

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End.

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